

EXHIBIT 13

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

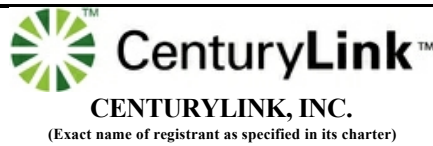
FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2015
or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to
Commission File No. 001-7784



Louisiana (State or other jurisdiction of incorporation or organization) 100 CenturyLink Drive, Monroe, Louisiana (Address of principal executive offices)	72-0651161 (I.R.S. Employer Identification No.) 71203 (Zip Code) (318) 388-9000 (Registrant's telephone number, including area code)
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Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐
 (Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

On July 31, 2015, there were 562,985,838 shares of common stock outstanding.

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* All references to "Notes" in this quarterly report refer to these Notes to Consolidated Financial Statements.<
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PART I-FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CENTURYLINK, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
	(Dollars in millions except per share amounts and shares in thousands)			
OPERATING REVENUES	\$ 4,419	4,541	8,870	9,079
OPERATING EXPENSES				
Cost of services and products (exclusive of depreciation and amortization)	1,959	1,962	3,870	3,897
Selling, general and administrative	863	831	1,714	1,674
Depreciation and amortization	1,048	1,093	2,088	2,200
Total operating expenses	3,870	3,886	7,672	7,771
OPERATING INCOME	549	655	1,198	1,308
OTHER (EXPENSE) INCOME				
Interest expense	(327)	(325)	(655)	(656)
Other income (expense), net	12	(7)	14	2
Total other expense, net	(315)	(332)	(641)	(654)
INCOME BEFORE INCOME TAX EXPENSE	234	323	557	654
Income tax expense	91	130	222	258
NET INCOME	\$ 143	193	335	396
BASIC AND DILUTED EARNINGS PER COMMON SHARE				
BASIC	\$ 0.26	0.34	0.60	0.69
DILUTED	\$ 0.26	0.34	0.60	0.69
DIVIDENDS DECLARED PER COMMON SHARE	\$ 0.54	0.54	1.08	1.08
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING				
BASIC	558,640	567,915	560,304	571,225
DILUTED	559,220	569,032	561,362	572,244

See accompanying notes to consolidated financial statements.

Segment Income

Business income decreased by \$138 million, or 11%, for the three months ended June 30, 2015 as compared to the three months ended June 30, 2014 and decreased by \$197 million, or 8%, for the six months ended June 30, 2015 as compared to the six months ended June 30, 2014. The decreases in business segment income were due to the loss of customers and lower service volumes in our legacy services and to the increase in operating expenses, excluding the impact of the reduction in customer premises equipment costs.

Consumer Segment

The operations of our consumer segment have been impacted by several significant trends, including those described below:

- *Strategic services.* In order to remain competitive and attract additional residential broadband subscribers, we believe it is important to continually increase our broadband network's scope and connection speeds. As a result, we continue to invest in our broadband network, which allows for the delivery of higher-speed broadband services to a greater number of customers. We compete in a maturing broadband market in which most consumers already have broadband services and growth rates in new subscribers have slowed. Moreover, as described further in Item 1A of Part II of this report, demand for our broadband services could be adversely affected by competitors continuing to provide services at higher average broadband speed than ours or expanding their advanced wireless data service offerings. We also continue to expand our other strategic product offerings, including facilities-based video services. The expansion of our facilities-based video service infrastructure requires us to incur substantial content and start-up expenses in advance of marketing and selling the service. Although, over time, we expect that our facilities-based video services will be profitable, our associated content costs continue to increase and the video business is growing increasingly competitive. We believe these efforts to expand our offerings will ultimately improve our ability to compete and increase our strategic revenues;
- *Legacy services.* Our voice revenues have been, and we expect they will continue to be, adversely affected by access line losses. Intense competition and product substitution continue to drive our access line losses. For example, many consumers are substituting cable and wireless voice services and electronic mail, texting and social networking non-voice services for traditional voice telecommunications services. We expect that these factors will continue to negatively impact our business. As a result of the expected loss of higher margin services associated with access lines, we continue to offer our customers service bundling and other product promotions to help mitigate this trend, as described below;
- *Service bundling and product promotions.* We offer our customers the ability to bundle multiple products and services. These customers can bundle local services with other services such as broadband, video, long-distance and wireless. While we believe our bundled service offerings can help retain customers, they also tend to lower our profit margins in the consumer segment; and
- *Operating efficiencies.* We continue to evaluate our segment operating structure and focus. This involves balancing our workforce in response to our workload requirements, productivity improvements and changes in industry, competitive, technological and regulatory conditions. We also expect our consumer segment to benefit indirectly from enhanced efficiencies in our company-wide network operations.

The following tables summarize the results of operations from our consumer segment:

	Consumer Segment			
	Three Months Ended June 30,		Increase / (Decrease)	% Change
	2015	2014		
	(Dollars in millions)			
Segment revenues:				
Strategic services	\$ 758	709	49	7%
Legacy services	744	790	(46)	(6)%
Data integration	-	1	(1)	(100)%
Total revenues	1,502	1,500	2	-%
Segment expenses:				
Total expenses	617	601	16	3%
Segment income	\$ 885	899	(14)	(2)%
Segment income margin percentage	59%	60%		

	Consumer Segment			
	Six Months Ended June 30,		Increase / (Decrease)	% Change
	2015	2014		
	(Dollars in millions)			
Segment revenues:				
Strategic services	\$ 1,496	1,411	85	6%
Legacy services	1,502	1,596	(94)	(6)%
Data integration	1	2	(1)	(50)%
Total revenues	2,999	3,009	(10)	-%
Segment expenses:				
Total expenses	1,206	1,194	12	1%
Segment income	\$ 1,793	1,815	(22)	(1)%
Segment income margin percentage	60%	60%		

Segment Revenues

Consumer revenues increased by \$2 million, or less than 1%, for the three months ended June 30, 2015 as compared to the three months ended June 30, 2014. The increase in consumer revenues was primarily due to increases in strategic services revenues, which were substantially offset by declines in legacy services revenues. The increase in strategic services revenues was primarily due to increases in the number of our Prism TV customers and increases in the number of broadband subscribers, as well as from price increases on various services. The decline in legacy services revenues was primarily due to declines in local and long-distance service volumes associated with access line losses resulting from the reasons noted above. Consumer revenues decreased by \$10 million, or less than 1%, for the six months ended June 30, 2015 as compared to the six months ended June 30, 2014. The decline in legacy services revenues was primarily due to declines in local and long-distance service volumes associated with access line losses resulting from the reasons noted above. The increase in strategic services revenues was primarily due to increases in the number of our Prism TV customers and increases in the number of broadband subscribers, as well as from price increases on various services. Price increase initiatives implemented during the first half of 2015 had a greater impact on our second quarter strategic services revenues as compared to our first quarter strategic services revenues.

Segment Expenses

Consumer expenses increased by \$16 million, or 3%, for the three months ended June 30, 2015 as compared to the three months ended June 30, 2014 and increased by \$12 million, or 1%, for the six months ended June 30, 2015 as compared to the six months ended June 30, 2014 primarily due to increases in bad debt expense and programming expenses for Prism TV content resulting from subscriber growth and content rate increases, which were partially offset by decreases in salaries and wages and professional fees.

Segment Income

Consumer income decreased by \$14 million, or 2%, for the three months ended June 30, 2015 as compared to the three months ended June 30, 2014 and decreased by \$22 million, or 1%, for the six months ended June 30, 2015 as compared to the six months ended June 30, 2014. The decline in consumer segment income was primarily driven by increases in our segment expenses.

Liquidity and Capital Resources*Overview*

At June 30, 2015, we held cash and cash equivalents of \$155 million and we had approximately \$1.7 billion of borrowing capacity available under our \$2.0 billion amended and restated revolving credit facility (referred to as our "Credit Facility", which is described further below). At June 30, 2015, cash and cash equivalents of \$70 million were held in foreign bank accounts for the purpose of funding our foreign operations. Due to various factors, our access to foreign cash is generally much more restricted than our access to domestic cash.

In connection with our budgeting process in early 2015, our executive officers and our Board of Directors reviewed our sources and potential uses of cash over the next several years, including among other things the previously-disclosed effect of the anticipated depletion of our federal net operating loss carryforwards during 2015. Generally speaking, our principal funding source is cash from operating activities and our principal cash requirements include operating expenses, capital expenditures, income taxes, debt repayments, dividends and periodic stock repurchases.

Based on our current capital allocation objectives, during the remaining six months of 2015 we anticipate expending approximately \$1.5 billion of cash for capital investment in property, plant and equipment and up to \$608 million for dividends on our common stock, based on the current quarterly common stock dividend rate of \$0.54 and the current number of outstanding common shares. During the remainder of 2015, we have scheduled debt principal payments of approximately \$11 million and scheduled capital lease and other fixed obligations of approximately \$39 million. We also anticipate expending cash for repurchasing common stock, but the amount will largely depend on market conditions and other factors.

We will continue to monitor our future sources and uses of cash, and anticipate that we will make adjustments to our capital allocation strategies when, as and if determined by our Board of Directors. We use our revolving credit facility as a source of liquidity for operating activities and to give us additional flexibility to finance our cash requirements.

Connect America Fund

In October 2011, the FCC adopted the Connect America and Intercarrier Compensation Reform order intended to reform the existing regulatory regime to recognize ongoing shifts to new technologies. Among other changes, this initial ruling established the framework for a multi-year transition of federal universal service funding to a new system where such funding is targeted in part for the deployment and provisioning of broadband services in high cost areas. In December 2014, the FCC issued an order finalizing requirements and conditions of the CAF Phase 2 program in order to proceed with the offer of support to price cap carriers. For additional information, see "Business-Regulation" in Item 1 of Part I of our Annual Report Form 10-K for the year ended December 31, 2014.

On April 29, 2015 the FCC announced the official offer of support to price cap carriers, on a state by state basis, to build and operate a network capable of providing high-speed broadband services to underserved areas. We have until August 27, 2015 to elect whether to exercise a "right of first refusal" to provide broadband services to households in unserved/underserved areas of our service territory. The FCC has offered to us up to \$514 million per year for the next six years to provide service to 1,190,016 locations in census blocks subject to the offer. As of the date of filing this report, we anticipate accepting more than \$300 million of the total offered in at least two dozen states, and we continue to evaluate the remaining funding of approximately \$200 million, which is primarily for the other remaining states.

SIGNATURE

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on August 6, 2015.

CENTURYLINK, INC.

/s/ DAVID D. COLE

By:

David D. Cole
Executive Vice President, Controller and Operations Support
(Chief Accounting Officer)

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Glen F. Post, III, Chief Executive Officer and President, certify that:

1. I have reviewed this quarterly report on Form 10-Q of CenturyLink, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors:
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2015

/s/ GLEN F. POST, III

Glen F. Post, III
Chief Executive Officer and President

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, R. Stewart Ewing, Jr., Executive Vice President, Chief Financial Officer and Assistant Secretary, certify that:

1. I have reviewed this quarterly report on Form 10-Q of CenturyLink, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors:
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 6, 2015

/s/ R. STEWART EWING, JR.

R. Stewart Ewing, Jr.
Executive Vice President, Chief
Financial Officer and Assistant
Secretary

Exhibit 32

Chief Executive Officer and Chief Financial Officer Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Each of the undersigned, acting in his capacity as the Chief Executive Officer or Chief Financial Officer of CenturyLink, Inc. ("CenturyLink"), certifies that, to his knowledge, the Quarterly Report on Form 10-Q for the quarter ended June 30, 2015 of CenturyLink fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of CenturyLink as of the dates and for the periods covered by such report.

A signed original of this statement has been provided to CenturyLink and will be retained by CenturyLink and furnished to the Securities and Exchange Commission or its staff upon request.

Date: August 6, 2015

/s/ GLEN F. POST, III

Glen F. Post, III
Chief Executive Officer and
President

/s/ R. STEWART EWING, JR.

R. Stewart Ewing, Jr.
Executive Vice President, Chief
Financial Officer and Assistant
Secretary